



Senator Eide's Week in Review – Interim Edition

September 20, 2011

Dear Friends and Neighbors,

It's great to be back in Federal Way following the 2011 Legislative Session, and it has been wonderful to get to spend time with my family and reconnect with the community.

It's hard to believe that we've been adjourned for over three months now, which means that most bills that passed this year have become law or are set to take effect soon. July 1st marked the beginning of the state's two-year budget cycle for 2011-2013, which means many of the deep reductions to programs and services that were made this session are now in effect and beginning to be felt throughout the state.

Please read on to learn about these and other budget updates, an update on the new Discover Pass, my busy summer policy agenda and more!

One year anniversary of the South Sound Regional Business Incubator



One year ago, the state of Washington partnered with the Federal Way Chamber of Commerce to create the [South Sound Regional Business Incubator](http://senatedemocrats.wa.gov/senators/eide). In that year, the new Center has provided training, one-on-one consulting, coaching and mentoring to 23 different businesses. Thanks to

Contact Information:

Olympia Office:
305 Legislative Building
Olympia, WA 98504-0430

Phone: (360) 786-7658

Toll-free legislative hotline:
1-800-562-6000

TTY/TDD Hearing impaired
hotline: 1-800-635-9993

E-mail:
tracey.eide@leg.wa.gov

Web site:
<http://senatedemocrats.wa.gov/senators/eide>

their leadership and innovation, they've created 147 new jobs in our community to date.

Also a year old this month is Federal Way's [Cascadia Medical Technology Accelerator](#). This public-private partnership is another way we're growing the local economy and creating jobs. This economic development projects collaborates with our in-town medical workforce, small businesses and medical technology innovators from outside of Federal Way to foster ideas, patent medical devices and support company formation and expansion. These activities help create new businesses and support the expansion of existing business in the healthcare field, which currently employs 17 percent of Federal Way's workforce.

I was proud to have helped secure start-up capital funds for the South Sound Regional Business Incubator and will continue working to support the Cascadia Medical Technology Accelerator as well.

A challenging path forward

The challenges facing the state during the 2011 legislative session were some of the most daunting I've seen in my time representing the 30th District in the State Legislature. There was simply no painless way to cut \$4.5 billion from the state budget.

During the budgeting process, it's easy to get lost in the numbers. But each line item represents far more than a simple dollar figure – it symbolizes a child in one of 23 Federal Way Public Schools elementary institutions, a senior in a Federal Way nursing home, a family struggling to recover from the Great Recession, or a University of Washington student trying to cope with the increased price of tuition.

My colleagues and I kept this in mind throughout the budgeting process and placed a premium on first locating efficiencies in government before instituting painful reductions. Our motto was "reform and reduce, but preserve and protect." And we did. The final operating budget contains solutions for the present that keep our most vital programs operational while creating fiscal responsibility for the future.

Having reduced but preserved those programs, I look forward to returning them to healthier levels as we recover from the recession and our revenues resume. However, with the September revenue report came word that our state will face another new shortfall. This will mean a serious discussion about our schools, universities, and essential public services and how we fund them.

Click [here](#) for more information on the 2011-2013 budgets.

Washington's September revenue forecast

Recently Gov. Chris Gregoire warned the directors of our state agencies to plan to reduce services as much as 10 percent to make up a potential \$1.7 billion shortfall. If the cuts become necessary, they would take effect no

later than January. This would be on top of the \$4.5 billion reduction in public services that the Legislature approved just a few months ago.

The continuing effects of the Great Recession — along with Congress' near-failure to raise the nation's debt ceiling for the first time ever, damaging America's credit rating — have taken their toll at the state level in the form of decreased consumer confidence, deeply impacting state revenue collection.

Thursday, September 15, Dr. Arun Raha, Washington's Chief Economist, publicly addressed a panel of legislators on our state's future fiscal outlook. He announced that we continue to face severe economic challenges in our recovery from the Great Recession.

When the Legislature passed the budget in May, we planned for a possible slowdown in recovery, leaving approximately \$735 million in reserves in case of a shortfall. But, after accounting for a June shortfall, the reserve is now only \$163 million – not enough to cushion another large fiscal impact.

At the September forecast, Dr. Raha announced that the state is facing another \$1.4 billion shortfall. After accounting for the \$163 million in reserves, the shortfall comes out to around \$1.2 billion.

Dr. Raha summed up the situation economically by comparing our full recovery to a mirage in the desert, "The closer we get to it, the further it seems away." In this sentiment, he is entirely correct.

At this time, it is unclear whether the Legislature will convene for another special session, but I will be sure to keep you up to date as the developments unfold.

Click [here](#) to learn more about the Economic and Revenue Forecast Council.

'Discover Pass' may be refined

The [Discover Pass](#), the Legislature's solution to the lack of funding to maintain state parks and recreation areas, has drawn criticism as of late for its lack of transferability.

That is, the pass applies only to the vehicle for which it was purchased and cannot, say, be shared among family members who use a different vehicle for a different trip.

That's a reasonable concern in an age where the average household has multiple vehicles and families might not always want to use the same vehicle for all their trips.

But it's important to remember why the pass was designed not to be transferable: If neighbors or other friends shared their passes to avoid the purchase fee, the state would not generate the revenue needed to maintain our parks. And that's the whole point of the pass — without this needed revenue, we would have no option but to shutter the beloved parks that are

so integral to our northwest way of life.

There are already efforts afloat to persuade the agencies that administer the passes to make them transferrable between vehicles within a family. In addition, the [Senate Natural Resources & Marine Waters Committee](#) is monitoring the Discover Pass program, tracking users' concerns and studying legislative options to address those concerns. Staff is also tracking the level of revenue raised by the pass and will project potential fiscal impacts of changes to the current pass structure.

It's vital that we keep our parks open and affordable for all Washingtonians, and the Discover Pass is doing that — but that doesn't mean the program can't be improved. In the coming months, the state will continue to look at ways to improve the pass when the Legislature convenes in January.

Busy summer agenda

Monitoring Alternative Learning Experience implementation

Students in the [Federal Way Public School](#) system are fortunate to have access to its digital *Internet Academy*. Through online, comprehensive courses, the Academy challenges K-12 students to grow in intellect while learning invaluable life skills including personal responsibility and time management. Members of the Senate Education Committee, including myself, are watching the development and implementation of this and other systems very closely to ensure a rich and meaningful digital learning experience for students statewide.

Progress on the Federal Way Triangle

In August, I got the chance to visit the construction site of the Federal Way Triangle remodel. The \$100 million project is currently underway and when complete will transform the I-5/SR 18/SR 161 interchange, creating hundreds of local, family wage jobs in the mean time. When finished, it will be a boon to our local economy, creating an estimated 6,000 new jobs over time as a result of reduced congestion and increased access to Federal Way businesses.

Interim taskforces and committees

With the legislative session taking place every winter and spring, the summer and fall are generally times when interim committees, workgroups, and taskforces are able to take a closer look at state government issues. The [Senate Ways & Means Committee](#) has scheduled a series of work sessions on the major areas of the budget. In addition to keeping a close eye on this and other key budget meetings, I have been busy developing legislation for next session.

Meeting with community groups, students and other constituents

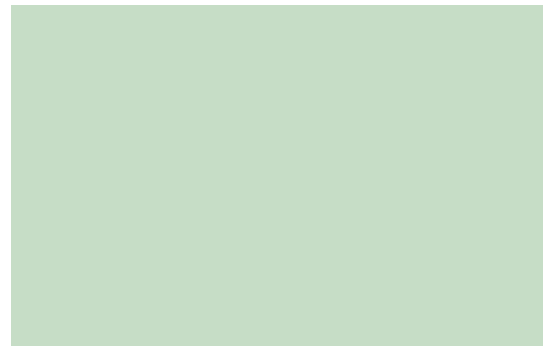
Please know that I'm always happy to meet with constituents and

community organizations to hear from you about the issues important to your community and state. Please give me a call or send an email if you would like me to visit your neighborhood group.

As always, it is an honor to serve you.

Best,

Tracey Eide



Please do not use the Reply button on the mail messages. To contact Senator Eide directly, send e-mail to tracey.eide@leg.wa.gov

You are receiving this newsletter because you contacted me in the past. You may leave the list at any time in two ways:

*Go to Senator Eide's subscription page [here](#). Enter your name and e-mail address, then click the Leave radio button, or

*Type "signoff waleg-senate-eide" in the body of an e mail and send it to listserv@listserv.wa.gov